STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Division of State Parks Honolulu, Hawaii 96813

May 22, 2015

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

Kaua'i

Amend Prior Board Action of November 17, 2006, Item E-1, Request Approval to Enter into a 20 Year Lease Through Direct Negotiations with Hui O Laka, a Hawai'i Eleemosynary Corporation for the Civilian Conservation Corps Camp and Kōke'e Museum Site in Kōke'e State Park, Waimea, Kaua'i

The purpose of the amendment is to amend certain terms and conditions of the lease and to clarify that this action is exempt from the preparation of an environmental assessment. Kōke'e and Waimea Canyon State Parks TMK: (4) 1-4-001:013 (por.) and (4) 1-4-002:045

BACKGROUND:

On November 17, 2006 under agenda item E-1, the Board approved a request for a twenty (20) year lease to Hui O Laka for the properties known as the (1) Civilian Conservation Corps (CCC) Camp, (2) the Kōke'e Museum and (3), a residence for the Hui O Laka's Executive Director (TMK: (4) 1-4-002:045). The request was approved with certain amendments. A copy of the submittal with the amendments approved by the Board is attached as Exhibit A. The lease has not yet been executed.

None of three areas is contiguous. The CCC Camp and Kōke'e Museum are located near each other in Kōke'e State Park and the Executive Director residence is located in Waimea Canyon State Park. In the 2006 meeting, the Board required Hui O Laka to provide a survey to determine the boundaries of the CCC Camp and the Kōke'e Museum as the properties were not subdivided.

REMARKS:

In August 2014, the Division of State Parks (State Parks) published its Master Plan and Final Environmental Impact Statement for Kōke'e and Waimea Canyon State Parks (hereinafter the "EIS"). The EIS, which is currently pending the Governor's acceptance,

ITEM E-1

includes plans to continue the lease to Hui O Laka, and to design and reconstruct the museum and adjacent Kōke'e Lodge¹ (Lodge) integrating them with the surrounding area.

The proposed new Lodge and Museum buildings call for an increase of thirty-three percent (33%) over the existing floor area. The buildings can be combined in to a single visitor center. No significant changes are planned for the CCC Camp buildings. The November 17, 2006 submittal included a provision that the lessor shall be able to withdraw land and buildings from the lease with 6 months' notice to lessee and that should Hui O Laka and the Lodge developer reach an agreement to move the museum to the lodge complex, the museum building and land could be withdrawn from the lease. At this time, Hui O Laka is unable to fund construction of a new, separate building but prefers a separate structure. State Parks plans to offer the Lodge buildings through a long term lease bidding process sometime in 2016.

In February 2015, Hui O Laka provided the DLNR State Parks a boundary survey and description which are attached as Exhibit B. The intent was to provide a metes and bounds description of the property for the purpose of describing it in a lease, however, there is no plan to subdivide the property.

PROPOSED AMENDMENTS:

State Parks recommends the following amendments to the lease:

Character of Use

The character of use described in the 2006 submittal included the operation and maintenance of cultural and educational programs and displays for the general public. In addition to these uses, Hui O Laka provides overnight accommodations at the CCC Camp for its members. Members include the general public and volunteers who are essential to preserving and improving the natural resources of both parks. The only qualification for membership is an annual donation to Hui O Laka. The annual donation and accommodation rates offered to members have been set by Hui O Laka. A copy of the current accommodation rates is attached as Exhibit C. Membership rates are \$20 per year for adults and \$10 for keiki. State Parks proposes amending the character of use to be more consistent with current operations as follows:

• Character of Use. The property shall be used for operation and maintenance of cultural and educations programs and displays for the public as well as overnight accommodations for the general public and park volunteers at rates set by Hui O Laka. Hui O Laka may engage in retail sales of merchandise through the Kōke'e Museum.

(rev. 02/2010)

¹ The Lodge at Kōke'e is currently operated under a month to month revocable permit issued to the Lodge at Kōke'e, LLC and includes a restaurant/gift shop as well as support facilities and twelve transient rental cabins. It is adjacent to the museum.

Product and Services Pricing

Due to staffing limitations, and the variety of products offered at the Kōke'e Museum, State Parks recommends that pricing for products and services offered by Hui O Laka be left to the lessee's discretion. State Parks recommends as follows:

• Deleting the requirement that products and services offered by Hui O Laka be approved by the State Parks' Administrator.

HRS Chapter 343 Environmental Assessment

Hui O Laka has been in existence in Kōke'e since 1954. The uses contemplated in the lease have been in place since then. State Parks proposes the Board declare that with respect to HRS Chapter 343 regarding environmental assessments:

• That the action is exempt from the preparation of an environmental assessment. Notwithstanding the nearly completed EIS, State Parks believes this action before the Board is exempt from the preparation of an environmental assessment per the Exemption Notification attached as Exhibit D.

Lease Rent

State Parks recommends that lease rent be amended to read as follows to be consistent with other similar non-profit leases:

• Lease rent shall be set at the nominal rate of \$480 per year.

Form Lease

State Parks recommends the Board authorize the Chairperson to negotiate any other necessary terms to complete the lease and recommends updating the Board's approval to include the most current form lease document:

• State Parks requests the Board authorize the Chairperson to negotiate any terms and conditions necessary to effectuate the lease and that the most current lease form is used, subject to review and approval of the Department of the Attorney General.

Applicant Requirements:

The Board required Hui O Laka to complete a boundary survey in 2006. As it is customary for the Department to seek DAGS Survey comments on surveys used for dispositions, any changes or corrections to the survey would need to be remedied by Hui O Laka:

 Completion of the boundary survey and description, subject to the review of the Department of Accounting and General Services, Survey Division The Division of State Parks recommends approval of these amendments and the issuance of a general lease to Hui O Laka.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

RECOMMENDATION: That the Board:

- 1. Amend the prior Board action of November 21, 2006 (under agenda item E-1), by declaring that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
- 2. Subject to the Applicant fulfilling all of the Applicant requirements listed above, authorize the issuance of a direct lease to Hui O Laka pursuant to HRS Section 171-43.1 covering the subject area under the terms, conditions and amendments cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current non-profit lease document form, as may be amended from time to time;
 - B. Review and approval by the Department of the Attorney General; and
 - C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 3. Delegate authority to the Chairperson to negotiate any such other terms and conditions necessary to effectuate the lease and carry out the intent of the Board.

Respectfully Submitted,

DANIEL S. QUINN

Administrator

APPROVED FOR SUBMITTAL:

(rev. 02/2010)

State of Hawaii DEPARTMENT OF LAND AND NATURAL RESOURCES Division of State Parks Honolulu, Hawaii

November 17, 2006

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

Subject: Request approval to enter into a 20 year lease through direct negotiations with Hui o Laka, a Hawaii eleemosynary corporation for the Civilian Conservation Corps camp and Kokee Museum site in Kokee State Park, Waimea, Kauai

Background

Hui o Laka was organized in 1952 and has been operating and maintaining the Kokee Museum since 1954 (see Exhibit "A"). They have not only been maintaining and operating the Museum but have been restoring and renovating portions of the Civilian Conservation Corps (CCC) camp, (see Exhibit "A1") that was constructed during the 1930's. Hui o Laka began restoring the numerous buildings in 1990 and using "no state funds with a cash investment to date of \$107,522", (see attached Hui o Laka Letter dated October 5, 2006) has 5 of the 11 buildings in various stages of being renovated.

In addition to the museum, their community activities and scheduled events and publications about the park, such as The Emalani Festival, The Banana Poka Roundup, guided hikes, and pocket guide entitled "Native Plants on the Nature Trail", contribute to State Parks goals of resource preservation, interpretive venues to assist visitors understanding of the natural, scenic and historic values of the park.

Hui o Laka has on staff 3 full time and 2 part time employees along with many volunteers from all over the island that throughout the year pitch in and help with service projects that benefit the park. Their annual operating budget for 2006 is \$345,000.

Recently, they contracted for and completed a strategic long term plan that delineates their vision, mission and goals to be achieved by Hui o Laka in the park. In order for them to execute their plans they should be recognized stakeholders in the park. This will be accomplished by the Board approving a 20 lease.

Item E-1

The area to be included under the lease is a portion of TMK (4) 1-4-001-013, to include the museum site and building, Exhibit "A", together with an area containing the 10 CCC camp structures shown on Exhibit "A1". These two areas

are not contiguous and a metes and bounds description of the areas will be completed at the direction of State Parks with any expense to be borne by Hui o Laka. There is no intent to subdivide the parcel.

The proposed lease area will not include the Hui o Laka recreation residence cabin that is currently the subject of GL-5126 that has as its leased premises an area of .72 acres at Puu Ka Pele and the Kokee Museum but does not include the CCC camp. Previously, in 1985 the Board gave permission for the Hui o Laka Executive Director to maintain their principal residence at the Puu Ka Pele cabin, whereas the other recreation residences leases do not allow full time residency. If this lease is approved by the Board, GL-5126 that expires December 31, 2006 will be unbundled and the Kokee recreation residence will go to a revocable permit with the other 96 recreation residences and the Kokee museum and the CCC camp will be covered by this proposed lease.

The authority under which the Board would be authorizing this 20 year lease is H.R.S. Chapter 171-43.1. It would be by direct negotiation with nominal rent of \$144.00 per year.

The character of use would be solely for the operation and maintenance of cultural and educational programs and displays for the general public. They would also make available to the public state recreational opportunities in the surrounding area. Commercial activity would be limited to the Kokee museum and conditioned upon any and all products and services approved in writing by the Parks Administrator.

Recommendation

That the Board:

Authorize the direct lease of the Kokee Museum and CCC camp, including the appurtenant ground area that will be surveyed subsequent to Board approval to Hui o Laka for a 20 year term subject to the forgoing terms and conditions:

- 1. Compliance with governmental requirements
- 2. Standard hold-harmless clause

- 3. All new construction and renovation will require the approval of the Chairperson.
- 4. The lessee shall not at any time during the lease term construct, place or remove from said premises any permanent structure or improvements of any kind and description whatsoever except with the prior approval of the Board and upon such conditions as the Board may approve.
 - Any permanent improvements constructed or erected by the lessee upon the demised premises shall become the property of the lessor upon expiration or termination of the lease.
- 5. The lessee shall not transfer, assign or sublet in whole or part, either voluntarily or by operation of law, and any transfer or assignment so made shall be null and void; provided that with the prior approval of the Board the assignment or transfer of this lease or portion thereof may be made to an eleemosynary corporate successor of the lessee.
- 6. This lease may be terminated at any time by either party at its sole discretion without cause upon 6 months notice.
- 7. The lessor does not warrant the condition or suitability oft the demised premises for the use intended by the lessee and is being leased, as is where is with all faults.
- 8. The lessee shall provide sufficient liability and fire insurance with DLNR, Division of State Parks named as additional insured in amounts to be determined by the Chairperson.
- 9. The lessor shall be able to withdraw land and buildings from the lease with 6 months notice to lessee. The Kokee/Waimea State Park Master Plan allows for up to a 60 unit lodge to be built. If the lodge developer and Hui o Laka are in agreement and the Hui o Laka Kokee Museum is moved to the lodge complex, then the existing museum building and premises would revert back to the state and withdrawn from the lease.

10. Such other terms and conditions as required by statute and as may be prescribed by the Chairperson.

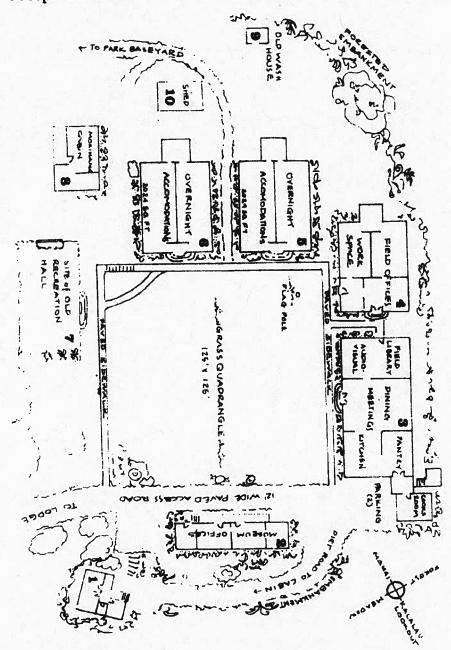
Respectfully submitted,

Daniel S. Quinn,

Administrator, State Parks

APPROVED FOR SUBMITTAL:

Peter T. Young Chairperson The Old C.C.C. Camp at Koke'e State Park, Kauai Site of the Proposed Joseph M. Souza, Jr. Training Center & Field Station



Hui O Laka Lease - Exhibit "Al"

EXHIBIT "AZ"

October 5, 2006



Köke'e Natural History Museum Huiolaka

P.O. BOX 100, KERAHA, KAUA'I, HAWAI'I 96752 (808) 335-9975 PAX (808) 335-6131 · www.hohoo.org · Email: hohoemuseum@earthlink.nex

HURO LAKA BOARD OF TRUSTERS

resident Paspasex B. Warman

Vice-President REGENALD P CAGE, IL

RONALD PETTON

DAVID KITTER

Trustees Trustees
ROSELLE P.K. BARRY
DAVID BURNERY, PaD.
TAKEMEN PURITA - BARREY
ALSTER KAOES
KAY KORCE
MARVEL LEIDMARK
LEIDMA CREENO
B.K. PANG-CRENO
BALLY SAGTE-TOPP
BELLI SAGTE-TOPP

WAYNE SOUZA

Executive Director MARSHA ERICENCH Dan Quinn, Administrator DLNR-State Parks Division Post Office Box 621 Honolulu, HI 96009

Aloha Dan.

I am writing to sek you and your staff's support and assistance as Huitesks a lease for the historic CCC Camp in Köke's State Park.

o Laka tests a lease for the historic OCC Camp in Köler's State Park.

As you know, Hut o Laka has been working on renovating the 11structure complex since early 1990. Our research was central to the camp
buting placed on the Hawai'l State and National Historic Registers in 1996.

Working in consort with DLNR-Historic Preservation Division and State
Parks Division, Hut o Laka has been faithful to the spirit and letter of federal
regulations governing renovation of historic sites as embodied in the

regulations governing renovation of historic sites as embodied in the Secretary of the Interior's Standards for Historic Buildings and Sites.

Using no-State funds, and with a cash investment to date of \$107,522 and volunteer time investment valued at \$153,000, Hui o Lake has managed

and volunteer time investment valued at \$153,000, Huit o Lake has managed to completely renovate 5 of the Camp's once-abandonned buildings (See Investment clart). Several other buildings are close to completion; a chart of remaining renovations and preliminary estimates of their costs is attached.

An invisonmental Assessment was prepared for the admittive use of the historic site by Huit o Lake. All uses are in support of State Park's missions. Uses already include the administrative and program offices for Huit o Lake's year-round operation of Köke'e Natural History Museum and its many interpestive program, as well as overnight accommodations for park volunteers and measurems, as well as overnight accommodations for park volunteers and measurems, as well as overnight accommodations for large interposition for the parks.

and/or turnounding forest reserves.

It is Hut o Lake's additional i numb to develop the site as an interpretive rescures in itself, creating historic tours of this sturdy vestige of early conservation efforts in Kaua'i forests.

Please let me know if I can provide further information that will make it possible for Hui o Laka to secure a lease for operation and management of this historic complex, securing its history and its public service far into the future. Thank you so very for your help over the years ~ a lease at this time would validate and recognize the risks Hui o Laka has undertaken in consistent support of State Paris.

Me ke aloha.

Mays Evickson Marsha Brickson **Executive Director**

OC. WAVVIR SOURS SERVING KOKE'S AND WAIMEA CANYON STATE PARKS SINCE 1952

The Board:

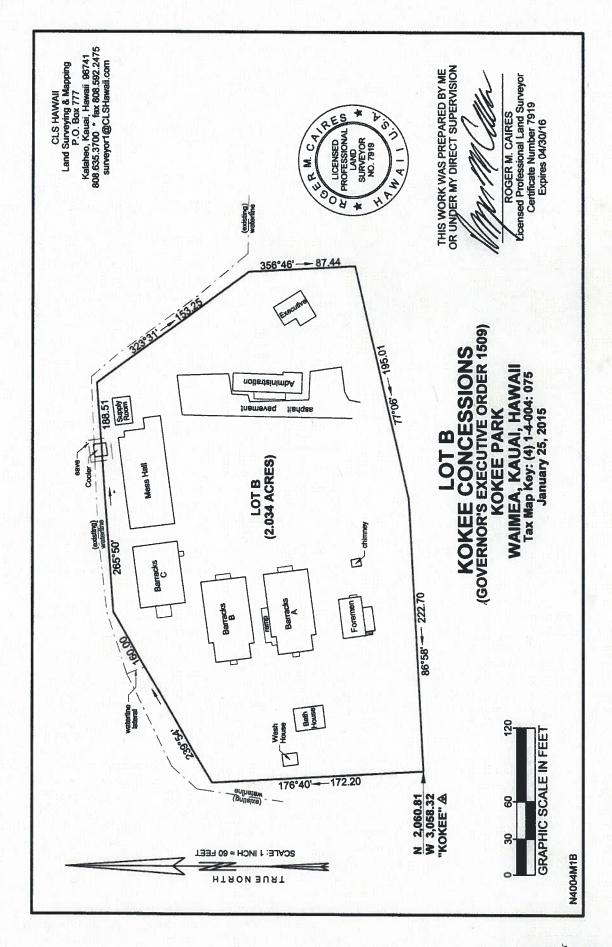
Amend Background section, page 2 of submittal to read:

"...The proposed lease area will [not] include the Hui o Laka recreation residence cabin that is currently the subject to GL-5126 that has it leased premises an area of .72 acres at Puu Ka Pele and the Kokee Museum but does not include the CCC camp. Previously, in 1985 the Board gave permission for the Hui o Laka Executive Director to maintain their principal residence at the Puu Ka Pele cabin, whereas the other recreation residences leases do not allow full time residency. If this lease is approved by the Board, the Puu Ka Pele Cabin and lot, currently under GL-5126 that expires December 31, 2006 [will be unbundled and the Kokee recreation residences] and the Kokee museum and the CCC camp will be covered by this proposed lease.

Amend Staff recommendations:

- "[3. All new construction and renovation will require the approval of the Chairperson.
- 4. The lessee shall not at any time during the lease term construct, place or remove form said-premises any permanent structure or improvements of any kind and description whatsoever except with the prior approval of the Board and upon such conditions and the Board may approve.]"
- 3. All construction and renovation will require the approval of the Chairperson, and, as the CCC camp is a significant historic property listed in the National and State Register of Historic Places, any new construction, alteration of the existing structures, or change in landscaping undertaken by the lessee that could affect this historic property shall be done in a manner that maintains the integrity and character of the property and in compliance with the State's historic preservation project review process (HRS §6E-7 and 8; HAR §13-275).
- 4. Any permanent improvements constructed or erected by the lessee upon the demised premises shall become the property of the lessor upon expiration or termination of the lesse.
- 10. Allow Hui o Laka to stay in the present cabin, but the State shall retain the option to withdraw land and buildings for the lease with 6 weeks notice to the lessee should a more appropriate location for the Executive Director become available."

Unanimously approved as amended (Johns, Agor)



CLS HAWAII



PO Box 777 Kalaheo, Kaual, Hawaii 98741 Office (808) 635-3700 - eFax (866) 592-2475 www.cishawaii.com surveyor1@cishawaii.com

TMK (4^{th}) 1 - 4 - 004: 075

LOT B KOKEE CONCESSIONS

ALL of that certain parcel of land being a portion of KOKEE PARK, Governor's Executive Order No. 1509. Situate at Waimea, Kauai, Hawaii, and more particularly described as follows:

BEGINNING at the Southwest corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KOKEE", being 2,060.81 feet North and 3,058.32 feet West, thence running by azimuths measured clockwise from true South:

1.	176°	40'	172.20	feet along the remainder of KOKEE PARK;
2.	239°	54'	160.00	feet along same;
3.	265°	50'	188.51	feet along same;
4.	323°	31'	153:25	feet along same;
5.	356°	46'	87.44	feet along same;
6.	. 77°	06'	195.01	feet along same;
7.	86°	58'	222.70	feet along same to the point of beginning and containing an AREA of 2.034 acres.

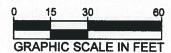


Kalaheo, Hawaii 96741 February 24, 2015 DESCRIPTION PREPARED BY

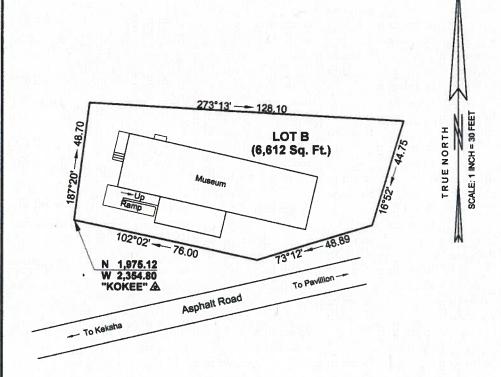
CLS HAWAII - Land Surveying & Mapping

ROGER M. CAIRES

Licensed Professional Land Surveyor Certificate No: 7919 Expires 04/30/16



CLS HAWAII Land Surveying & Mapping P.O. Box 777 Kalaheo, Kaual, Hawaii 96741 808.635.3700 * fax 808.592.2475 surveyor1@CLSHawaii.com



LOT B HUI - O - LAKA KOKEE MUSEUM

(GOVERNOR'S EXECUTIVE ORDER 1509)
KOKEE PARK
WAIMEA, KAUAI, HAWAII

Tax Map Key: (4) 1-4-001: 013 January 25, 2015



THIS WORK WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION

ROGER M. CAIRES
Licensed Professional Land Surveyor
Certificate Number 7919
Expires 04/30/14

N4004M2A

CLS HAWAII



PO Box 777 Kaiaheo, Kaual, Hawaii 98741 Office (808) 635-3700 - eFax (866) 592-2475 www.cishawaii.com surveyori@cishawaii.com

TMK (4^{th}) 1 - 4 - 001: 013

LOT B HUI – O – LAKA KOKEE MUSEUM

ALL of that certain parcel of land being a portion of KOKEE PARK, Governor's Executive Order No. 1509. Situate at Waimea, Kauai, Hawaii, and more particularly described as follows:

BEGINNING at the Southwest corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KOKEE", being 1,975.12 feet North and 2,354.80 feet West, thence running by azimuths measured clockwise from true South:

1.	187°	20'	48.70	feet along the remainder of KOKEE PARK;
2.	273°	13'	128.10	feet along same;
3.	16°	52'	44.75	feet along same;
4.	73°	12'	48.89	feet along same;
5.	102°	02'	76,00	feet along same to the point of beginning and containing an AREA of 6,612 Sq. Ft.



Kalaheo, Hawaii 96741 February 24, 2015 DESCRIPTION PREPARED BY CLS HAWAII - Land Surveying & Mapping

ROGER M. CAIRES

Licensed Professional Land Surveyor Certificate No: 7919 Expires 04/30/16 Hui o Laka The Koke'e Natural History Museum www.kokee.org

Historic Civilian Conservation Corps Camp Rates and Policy beginning 9 March 2014

Staying at the Camp is a privilege of membership – however the only qualification for membership is a small annual donation and the desire to help Hui o Laka. At least one member of the family or group must be a member of Hui o Laka.

A Minimum of Two Nights applies to all stays at the Camp with one night payable in advance as a deposit

The one night's deposit, together with a cleaning deposit, is **refundable** with at least one week's advance notice. See cleaning deposit amounts below.

\$20/night per person, including groups, except

\$15 for volunteers for Hui o Laka and Koke'e Resource Conservation Program

For semi- private rooms in Dreamers: \$25/night per person

For the following cabins:

Mokihana: \$75/ night up to two people, \$15 for each additional person

Orchard: \$50/night up to two people, \$15 for each additional person

A Cleaning Deposit [minimum \$50, even if one person in the bunkhouse] will be collected in advance with the reservation. For each side of Barracks B, the deposit will be \$150 [\$300 for both sides]. For reservations of the entire Camp, the cleaning deposit will be \$500.

The cleaning deposit is refundable, by check mailed within one week or credit to a credit card, ONLY after our staff has checked the area. If the area is not left clean, we will deduct a reasonable amount accordingly, with specific defects noted, and refund the remainder, if any.

PO Box 100 Kekaha, Kauai, Hawaii 96752-0100 voice 1.808.335.9975 fax 1.808.335.6131



DAVID Y. IGE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809 SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA FIRST DEPUTY

W. ROY HARDY ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEY ANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COAST AL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200, HAR.

Project Title:

Amend Prior Board Action of November 17, 2006, Item E-1, Request Approval to Enter into a 20 Year Lease Through Direct Negotiations with Hui O Laka, a Hawai'i Eleemosynary Corporation for the Civilian Conservation Corps Camp and Kōke'e Museum Site in Kōke'e State Park, Waimea, Kaua'i

The purpose of the amendment is to amend certain terms and conditions of the lease and to clarify that this action is exempt from the preparation of an environmental assessment. Kōke'e and Waimea Canyon State Parks TMK: (4) 1-4-001:013 (por.)

and (4) 1-4-002:045

Project / Reference No.:

SP0403

Project Location:

Waimea Canyon and Kokee State Parks

Project Description:

Issuance of Lease to Hui O Laka

Chap. 343 Trigger(s):

Use of State Land

Exemption Class No.:

State Parks believes that this project will have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment under Chapter 343, Hawaii Revised Statutes (HRS) and §11-200-8(a)(1), Hawaii Administrative Rules (HAR) and within exemption Class 1 of the State Parks Exemption List which exempts operations involving negligible or no expansion or change of use beyond that previously existed within park boundaries [February 5, 1976].

Consulted Parties:

DLNR - DOFAW, LAND.

Recommendation:

It is recommended that the Board find that this action will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.

SUZANNE D. CASE

Chairperson